



House of Representatives

General Assembly

File No. 339

January Session, 2007

House Bill No. 7256

House of Representatives, April 4, 2007

The Committee on General Law reported through REP. STONE of the 9th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE ADVERTISING OF SERVICES TO TRANSPORT OR DISPOSE OF JUNK MOTOR VEHICLES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective from passage*) (a) No person shall
2 advertise his or her services to transport or dispose of junk motor
3 vehicles unless such person holds a valid license issued pursuant to
4 the general statutes to transport or dispose of such motor vehicles.
- 5 (b) A violation of subsection (a) of this section shall be an unfair or
6 deceptive trade practice pursuant to section 42-110b of the general
7 statutes.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
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GL Joint Favorable

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Consumer Protection, Dept.	GF - Revenue Gain	Potential Minimal	Potential Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

This bill could result in a minimal revenue gain, as a result of violations of this bill, which prohibits the advertising of services for transporting or disposing of junk vehicles, unless the advertiser holds a valid license to do so.

Violations of this bill would be considered a violation of the Connecticut Unfair Trade Practices Act (CUTPA), for which a civil penalty could be ordered up to \$5,000 for each separate offense. In FY 06, \$384,209 was collected in CUTPA revenue for violations of all types.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of violations.

OLR Bill Analysis**HB 7256*****AN ACT CONCERNING THE ADVERTISING OF SERVICES TO
TRANSPORT OR DISPOSE OF JUNK MOTOR VEHICLES.*****SUMMARY:**

This bill prohibits advertising services to transport or dispose of junk motor vehicles unless the advertiser holds a valid license to do so. It makes a violation an unfair trade practice.

EFFECTIVE DATE: Upon passage

BACKGROUND***Licenses to Transport or Dispose of Junk Motor Vehicles***

The law allows only licensed dealers, repairers, or recyclers to transport motor vehicles in connection with their business. Towing for compensation must be done by vehicles registered as wreckers. By law, anyone operating a wrecker must be licensed as a dealer or repairer (CGS §§ 12-52, 14-62, and 14-66).

Connecticut Unfair Trade Practices Act (CUTPA)

The law prohibits businesses from engaging in unfair and deceptive acts or practices. CUTPA allows the consumer protection commissioner to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. The act also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorneys fees; and impose civil penalties of up to \$5,000 for willful violations and \$25,000 for violation of a restraining order.

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 19 Nay 0 (03/14/2007)